

## PROJECT CLASSIFICATION METHOD

### Purpose

This project classification method provides an approach that may be used by agencies to define and categorize technology projects. The goal is to provide a basis for applying project management practices to delivery of technology projects for specific purposes. For example, the project classification method may be used by an agency to establish instructions and guidelines for agency reporting on technology projects to internal and external entities, scaling guidelines for different types of technology projects, and categorization guidelines for whether and how a project satisfies thresholds as required by statute.

### Background

Agencies may choose to use this project classification method or another classification method from a different source. A project classification method must be incorporated into agency project management practices based on specific agency needs. Thus, although project classification methods vary, the project management practices must satisfy the guidelines as identified in the project management practices rules (1 Texas Administrative Code, Chapter 216).

### Instructions

Projects may be classified as follows:

Classification	Small	Medium	Large
Total Score	0 - 2	3 - 10	> 10

Projects may also be classified as follows based on additional project categories and requirements such as:

Item	Information Resources Project	Major Information Resources Project	Daily Operations Project	Capital Project	Not A Project
Definition (statute or instructions)					
Cost Threshold (statute or instructions)					
Reporting Requirements					
Other Requirements, Regulations and Policies					

Consider project characteristics in the left hand column of the table and determine where the project aligns with the characteristics. Identify a score for each characteristic. For example, a project with a \$300,000 budget would score a value of 0 in the budget characteristic row. Enter this value in the right column. When all rows are completed, tally all values to arrive at the project's total score.

Characteristics	0	1	2	Score
Cost	Less than \$500,000	\$500,000 - \$1,000,000	\$1,000,000 or greater	
Project Team Size	< 5	5 – 9	> 9	
Departments Involved	1 – 2	3 – 4	> 4	
Agencies Involved	Work group within agency	Agency-wide	More than one agency or government involved	
Time to Deliver	Less than 6 months to operation	Between 6 months and a year to operation	More than a year to operational status	
Impact on Agency	Minimal change, or extends systems now in use	Moderate change or modifies systems now in use, but doesn't change work processes	Significant change to work methods of agency personnel and/or delivery of services to agency clients	
Impact Outside Agency	Affects mostly internal operations of the agency	Indirectly impacts citizens and/or has some visibility to the legislature	Directly impacts citizens of the State and/or has high visibility to the legislature	
Technology	Standard, proven agency technology	Proven in industry or at state level, but new to agency or program areas	Emerging, unproven, or new for the state	
Supplier Involvement	Good experience in the past working with this supplier	Other agencies have had problems with this supplier or team members are distributed in several locations	Outsourcing for the first time, working with a new supplier, or the supplier has been difficult to deal with in the past	
System Complexity	Standalone system	Some integration with another system	New system needs to integrate with several others, and/or they are critical systems	
Total Score				